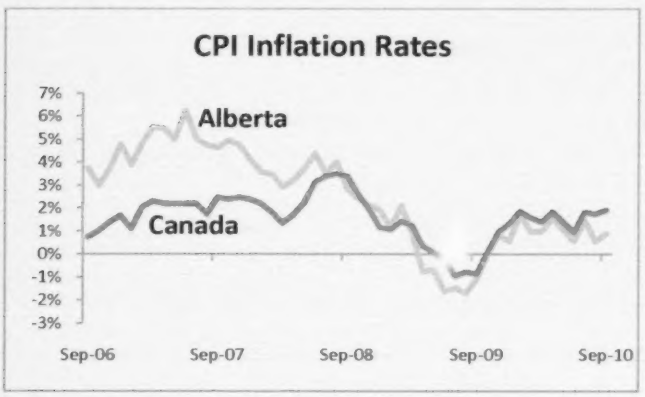
Price Indexes

Consumer Price Index up slightly…

Alberta's year-over-year CPI rate increased from 0.6% in August to 0.9% in September. The increase was due largely to energy prices, which were 5.9% higher than a year earlier. Excluding energy, prices were up just 0.5% from September 2009, suggesting that inflationary pressures remain subdued in Alberta.

Nationally, inflation was 1.9% in September up from the 1.7% growth in August. Energy prices, which were up 5.6% from September, 2009 were a main contributor to the increase. Excluding energy, Canadian CPI was up 1.5% from a year ago.



Retail Sales

Sales up for third consecutive month…

The value of retail sales in Alberta increased by 1.5% in August to just over $4.9 billion (seasonally adjusted). Sales have been gradually increasing in each of the last three months following June's growth of 0.1% and July's increase of 0.5%. Retail sales in the first eight months of 2010 were 4.9% higher in the province than they were for the same period in 2009. The main sources of this growth were service stations (up 15.4%) and new car dealers (up 13.6%), while other motor vehicle dealers (down 26.1%), sporting goods and book stores (down 9.5%) and electronic and appliance stores (down 8.1%) still remain below sales in the first eight months of 2009. Nationally, retail sales increased by 0.5% in August with sales at service stations up 2.1% and food and beverage stores up 0.8%. In all, gains were registered in 6 out of 11 sectors representing 70% of total sales.

Canadian Dollar (US¢/C$)	
October 22, 2010	97.40
October 15, 2010	98.93
2010-11 YTD	96.97
WTI Oil US$/bbl	
October 21, 2010	$ 80.56
October 14, 2010	$ 82.69
2010-11 YTD	$ 77.63
Nymex Natural Gas C$/MMBtu*	
Near-month Contract	
October 22, 2010	$3.41
October 15, 2010	$3.63

*Estimate based on Nymex Futures Market Price

Wholesale Trade

Alberta sales up again in August…

The value of Alberta's wholesale trade increased by 2.2% in August to reach $5.3 billion (seasonally adjusted), after growing by 2.0% in July. The increase was mainly due to higher sales of machinery, equipment and supplies and was the ninth period of growth in the past ten months. Wholesale sales are now 20.8% higher than in August 2009.

Non-Residential Building Construction

Alberta construction dips slightly in third quarter…

Investment in new non-residential buildings declined 0.1% in the third quarter of 2010 as a 6.0% decline in the construction of institutional buildings (health care facilities & government buildings) more than offset a 6.5% increase in investment for new industrial buildings and a 2.8% rise in new commercial buildings. Overall, new non-residential building construction was 6.9% lower than in the third quarter of 2009.

Monetary Policy

BoC pauses tightening cycle, downgrades forecast…

In its October meeting, the Bank of Canada left the target for the overnight rate unchanged at 1%, as recent indicators have pointed to a slowing global and domestic economy. The Bank downgraded its forecast for Canadian economic growth to 3.0% in 2010 and 2.3% in 2011, signficantly lower than 3.5% and 2.9% projected in July. While monetary policy in Canada remains very accomodative, the three consecutive rate hikes in previous meetings have provided the Bank with some policy room in case of an adverse shock to the economy.

Current Economic Indicators

Population	2008	2009	2010Ytd	Apr	May	June	July	August	Sept
Population1 (000's) (level)	3,591	3,671	3,721	3,702	--	--	3,721	--	--
% change	2.2	2.2	1.4	1.4	--	--	1.4	--	--
Net Interprovincial Migraton1 (level)	15,317	13,184	-2,183	312	--	--	2,820	--	--
Net International Migration1 (level)	15,641	16,835	21,533	5,148	--	--	8,035	--	--
Net Non-permanent Residents1 (level)	18,611	19,162	-77	-47	--	--	-753	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,991	1,979	1,994	2,000	2,009	2,004	2,004
% change	2.8	-1.3	0.0	-0.4	0.3	0.6	1.1	1.1	0.8
Unemployment Rate (%)	3.6	6.6	6.7	7.4	6.6	6.7	6.3	6.5	6.2
Participation Rate (%)	74.7	74.3	73.1	73.4	73.2	73.3	73.1	73.0	72.7
Average Weekly Earnings ($)	923.21	950.13	986.70	993.17	985.03	994.21	992.26	--	--
% change	6.0	2.9	3.8	6.1	4.4	4.2	5.3	--	--
Price Indices									
Consumer Price Index NEW!	3.2	-0.1	1.1	1.6	1.1	0.6	1.5	0.6	0.9
Excluding food and energy	2.1	1.4	0.8	1.4	0.9	0.7	0.8	0.5	0.2
Non-Res. Const. Cost Index2 (quarterly)	13.2	-9.8	-2.3	--	--	0.6	--	--	--
Farm Product Price Index NEW!	12.9	-10.6	-10.8	-12.1	-8.9	-9.4	-7.0	-6.4	--
Crops	30.1	-18.9	-23.7	-22.7	-26.1	-25.3	-24.1	-24.1	--
Livestock	1.9	-2.8	-0.1	-3.4	3.4	3.8	7.2	8.1	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	28.5	29.5	29.6	26.9	29.9	24.4	28.9
% change	-39.6	-31.6	68.5	128.7	107.0	32.5	54.1	17.9	17.5
New Housing Price Index	0.7	-9.0	0.2	1.0	1.6	1.9	1.5	1.5	--
Edmonton	1.0	-11.2	-1.6	-1.0	-0.1	0.6	0.2	0.5	--
Calgary	0.6	-6.7	2.0	2.9	3.1	3.2	2.7	2.4	--
MLS Average Resale Prices ($ 000's)	351.4	340.5	351.9	359.9	355.5	345.4	352.2	347.2	356.8
% change	-1.5	-3.1	4.8	7.7	7.1	4.0	3.1	-0.5	0.4
Edmonton	330.8	319.1	325.4	332.1	317.9	303.9	323.2	325.7	333.7
% change	-2.0	-3.5	3.4	8.7	4.4	2.1	1.5	2.6	-0.7
Calgary	401.1	384.3	399.6	401.3	411.5	403.8	402.7	392.1	405.3
% change	-2.9	-4.2	5.2	6.4	9.2	5.8	5.5	-0.8	1.6
Retail Sales3 NEW!	0.2	-8.3	4.9	5.3	2.1	3.8	4.5	5.1	--
New Motor Vehicle Sales	-7.3	-21.7	10.2	6.9	4.7	13.2	10.2	14.6	--
Consumer Bankruptcies	6,066	9,986	5,532	744	672	778	626	615	--
% change	27.2	64.6	-18.8	-11.2	-20.7	-23.8	-28.2	-30.3	--
Business Sector									
Rigs Drilling	236	128	186	62	56	118	199	222	177
% change	-2.1	-45.6	62.7	51.9	76.4	99.0	135.2	130.3	59.3
Goods Exports (customs based)	35.0	-36.3	17.0	24.1	47.0	15.1	8.7	13.7	--
Energy	43.2	-40.1	26.5	42.7	77.5	20.6	8.8	15.7	--
Agriculture	31.8	-10.2	-13.9	-27.6	-5.0	-9.0	-3.4	-8.4	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	--	--	--	--	--	--
Manufacturing Shipments	6.9	-23.7	8.1	10.4	13.7	10.8	12.5	14.6	--
Wholesale Trade4 NEW!	9.5	-15.9	5.7	5.5	7.5	8.4	12.5	20.8	--
Building Permits	-16.5	-14.2	20.2	28.1	-11.8	32.5	10.1	3.4	--
Residential	-31.5	-11.8	56.6	64.6	90.9	53.0	19.4	-12.2	--
Non-residential	3.7	-16.3	-10.8	0.0	-57.7	14.4	-3.0	39.2	--
Business Bankruptcies	447	405	257	37	35	23	27	30	--
% change	-0.4	-9.4	-5.9	54.2	2.9	-30.3	-22.9	-9.1	--

Government of Alberta ■
Finance and Enterprise

Alberta ■

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province